

CLASSIFICATION **RESTRICTED**

CENTRAL INTELLIGENCE AGENCY

INFORMATION FROM

FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT

CD NO.

STAT

COUNTRY	Hungary
---------	---------

SUBJECT Economic - Investments

HOW PUBLISHED Daily newspaper

WHERE PUBLISHED Budapest

DATE
PUBLISHED 1 Apr 1949

LANGUAGE Hungarian

DATE OF INFORMATION 1949

DATE DIST. 5 May 1949

NO. OF PAGES 2

SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE PROSMAN ACT 50 U. S. C. 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

SOURCE: Szabad Nep, No 76, 1949.

INVESTMENTS IN HUNGARY SHOW INCREASE IN 2D QUARTER 1949

Investments between the first and second quarters of 1949 were as follows (in million forints):

	<u>1st Quarter</u>	<u>2d Quarter</u>
Agriculture	169.1	245
Industry	269.1	358
Communications	165.6	205
Housing and cultural projects	89.3	215

The combined investments for the first quarter, including that of the city of Budapest, trading firms, and the OTI (Országos Tarsadalombiztosító Intézet, National Insurance Company), was 1,011,000,000 forints as compared with 1,316,000,000 forints planned for the second quarter.

Industrial investments during April will amount to 105,019,000 forints. Heavy industry will get the largest part of this amount with metallurgy, iron, steel, and machine-building industries getting more than 35 million forints, coal mining 13,860,000 forints, and lesser amounts going to light industry. Plants which are to get over 100,000 forints include the Elzett Plant, the Magyar Keresia gyar (Hungarian Ceramics Plant), Magyar Pamutipar gyar (Hungarian Cotton Goods Plant), and the Magyar Foncipar gyar (Hungarian Spinning Plant). These investments will make it possible to exceed 1938 mining and industrial production by 27 percent by the end of the year.

Rural investments during the second quarter will amount to 87,387,000 forints. In April alone, 20,565,000 forints will go for tractors, tractors-plows, harrows, and Hortobagy pumps. More than one million forints will go for Danube-Tisza Canal construction during April, and even more for North irrigation work. About 6 million forints will go for irrigating the Danube 2,600,000 for modern poultry farms, and 11 million for livestock co-operatives.

- 1

CLASSIFICATION

RESTRICTED

CLASSIFICATION		DISTRIBUTION	
STATE	NAVY	NSRB	
ARMY	AFR	FBI	

RESTRICTED

STAT

In the agricultural industry, investments during April will be as follows: tobacco industry, 853,000 forints; sugar industry, 915,000; beer, malt, and confection industry, 890,000 forints; and grain milling industry, 1,775,000 forints. Rural road construction will get 3 million forints; schools, public nurseries, etc., will get 2,600,000; and rural housing will get 2 million.

Communications will be improved with the investment of 67,500,000 forints during April. The State Railroads will spend 26 million forints for repair of railroad lines and bridges, purchase of rolling stock, and expansion of the Szecheny Mountain-Uttoro line. April expenditures on the Lano bridge will be 2,350,000 forints.

Housing and cultural projects will receive 72 million forints. In April, expenditures for new housing will be 4,410,000 forints for Budapest and 22,567,000 for the suburbs.

- E N D -

- 2 -

RESTRICTED